BILL ANALYSIS

C.S.H.B. 2921 By: Pitts Land & Resource Management Committee Report (Substituted)

BACKGROUND AND PURPOSE

Currently, if a railroad company and the owner of property cannot reach an agreement in a real estate transaction involving the building, operation, or running of the railroad, the railroad has the authority to condemn the disputed property in order to progress with various goals.

The purpose of C.S.H.B. 2921 is to exempt residential zoned property from the condemnation power granted to railroad companies <u>unless</u> the condemned property's use conforms to the city zoning restrictions.

RULEMAKING AUTHORITY

It is the opinion of the committee that this bill does not expressly grant any additional rulemaking authority to a state office, department, agency or institution.

ANALYSIS

SECTION 1. Amends Chapter 6, Title 112, Revised Statutes, by adding Article 6336a, as follows:

Makes the new Article applicable only to the condemnation of property for a terminal switching railroad handling fewer than 4,000 but more than 3,000 carloads per year that operates in a county with a population of 130,000 or less.

Prohibits a railroad from condemning property designated under local zoning regulations for residential use <u>unless</u> it is in conformity with local regulations.

SECTION 2. Effective Date.

EFFECTIVE DATE

Effective date is September 1, 2005 or immediately if approved by two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution.

COMPARISON OF ORIGINAL TO SUBSTITUTE

SECTION 1. The <u>Substitute</u> adds a provision that makes the new Article applicable only to the condemnation of property for a terminal switching railroad handling fewer than 4,000 but more than 3,000 carloads per year that operates in a county with a population of 130,000 or less.

SECTION 2. The effective date is changed to allow for immediate effect.